

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: RSA 7 LIMITED PARTNERSHIP	DOCKET NO. 199 IAC 39.2(4)
---	----------------------------

ORDER DESIGNATING ELIGIBLE CARRIER

(Issued September 13, 2004)

On November 8, 2002, RSA 7 Limited Partnership (RSA 7) filed with the Utilities Board (Board) an application for universal service eligible carrier status in Iowa. RSA 7 asks that the Board designate it as an eligible telecommunications carrier pursuant to 199 IAC 39.2(4). On December 4, 2002, RSA 7 filed a supplement to its initial application indicating that it would file a description of its service and rate plans used in its universal service offering.

At the time RSA 7 filed its application, the Board's rules required that a wireless carrier seeking designation as an eligible telecommunications carrier (ETC) was required to provide universal fund-supported services throughout the historic landline exchange. This requirement was often unable to be met by wireless carriers, whose service areas often included part, but not all, of a landline exchange.

On August 25, 2003, the Board initiated a rule making, In re: Eligible Telecommunications Carrier Designation for Wireless Carriers, Docket No. RMU-03-13, which was intended to bridge the gap that existed between wireless and

wireline companies with respect to the receipt of universal service funding by allowing wireless companies to serve parts of incumbent service areas pursuant to their operating licenses issued by the Federal Communications Commission (FCC). Due to the initiation of the rule making, the Board suspended action on RSA 7's application pending the outcome of the rule making.

On May 24, 2004, the Board adopted 199 IAC 39.2(5)"c," which grants eligible telecommunications carrier (ETC) status to wireless telecommunications carriers that apply for that status, based on their certification from the FCC. On July 30, 2004, RSA 7 filed a second supplement to its original application.

Board rule 39.2 provides a means by which the Board can designate Iowa telecommunications companies to be eligible to receive funding from the universal service fund, as defined by the Telecommunications Act of 1996, 47 U.S.C. § 254. Under the Act (and FCC regulations implementing the Act), the Board must determine that a carrier meets the following service requirements before it may be designated an eligible carrier as set forth in rule 39.2(4):

- 1) Offer the services supported by the federal universal service fund;
- 2) Offer the service using its own facilities or a combination of its own facilities and resale (47 C.F.R. § 54.201(c) provides that "own facilities" includes purchased unbundled network elements);
- 3) Advertise the availability of the supported services; and,

- 4) Offer the services throughout the designated service area.

An ETC must also offer a minimum amount of local exchange service, defined in usage minutes, provided with no additional charge to customers. See FCC 98-272, October 26, 1998. See also 199 IAC 39.2(1)"b." The FCC has not yet quantified a minimum amount of local usage required to be included in a universal service offering, but has initiated a separate rule making proceeding to address this issue. Id. Any minimum local usage requirements established by the FCC as a result of that rule making would be applicable to all designated ETCs. The Board understands that RSA 7 will comply with any and all minimum local usage requirements adopted by the FCC. The Board also understands that until the FCC establishes a minimum requirement, RSA 7 will offer at least one universal service offering with unlimited local calling.

In its initial request for designation and in its supplements to that request, RSA 7 states that it satisfies each of these named requirements. Based upon those unopposed representations and the company's commitment to follow the minimum local usage requirements when adopted by the FCC, the Board finds that RSA 7 offers the services supported by the federal universal service fund, using its own facilities or a combination of its own facilities and resale of the facilities of another carrier.

RSA 7 states that it is licensed by the FCC to serve only Audubon, Guthrie, Cass, Adair, and Madison counties in Iowa and that it intends to provide universal

service fund-supported services throughout its licensed service areas. The Board finds that this assertion by RSA 7 satisfies Board rule 39.2(5).

RSA 7 also states that it will provide to the Board for informational purposes, a description of the service and rate plan(s) when it commences provision of universal service fund offerings to Iowa customers. The Board finds these commitments by RSA 7 adequate to assure that public interest concerns will be satisfied.

The Board also notes that pursuant to a recent federal mandate, RSA 7 is required to file a certification regarding its use of universal service funds with the Board. This filing will be made pursuant to the Board's rule 199 IAC 22.2(7), as described in Docket No. RMU-01-14, In re: Certification of Rural and Non-Rural Telecommunications Carriers.

IT IS THEREFORE ORDERED:

1. Eligible telecommunications carrier status is granted to RSA 7 Limited Partnership, as requested in its application filed November 8, 2002, and supplemented on December 4, 2002, and July 30, 2004, subject to the voluntary commitments described in the body of this order.
2. The designated service area for RSA 7 Limited Partnership shall be the area where RSA 7 Limited Partnership is licensed by the Federal Communications Commission to provide service.
3. The Executive Secretary of the Utilities Board shall mail copies of this order to RSA 7 Limited Partnership, the Universal Service Administration Company,

the Federal Communications Commission Universal Service Branch, and the Federal Communications Commission Office of the Secretary.

UTILITIES BOARD

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 13th day of September, 2004.